

R 062235Z FEB 09  
FM SECSTATE WASHDC  
TO AMEMBASSY BAGHDAD

S E C R E T STATE 011293

NOFORN

E.O. 12958: DECL: 02/06/2019

TAGS: [PTER](#) [ASEC](#) [PGOV](#) [PREL](#) [KCRM](#) [KJUS](#)

SUBJECT: POSSIBLE FTO DESIGNATION FOR ASA'IB ALG AL HAQ  
(AAH) AND KATA'IB HIZBALLAH (KH)

CLASSIFIED BY PDAS RONALD SCHLICHER, S/CT; E.O. 12958  
REASONS: 1.4 (B),(D), AND (G)

11. (U) This is an action request, see paragraph 8 and 9.

#### SUMMARY

12. (S/NF) The Office of the Coordinator for Counterterrorism (S/CT) is examining the possibility of recommending that the Secretary designate two Iraq-based organizations, Asa'ib Ahl Al-Haq (AAH) and Kata'ib Hizballah (KH), as Foreign Terrorist Organizations (FTOs).

END SUMMARY

#### OBJECTIVES

13. (C/NF) S/CT would like to pursue FTO designations for AAH and KH. The Secretary of State, in consultation with the Attorney General and Secretary of Treasury, may designate a group as an FTO upon a finding that it is (1) a foreign organization, (2) it engages in terrorist activity (as defined in section 212(a)(3)(B) of the INA, or terrorism (as defined in 22 U.S.C. - 2656f(d)(2)), or retains the capability and intent to engage in terrorist activity or terrorism, and (3) that terrorist activity or terrorism threatens the security of U.S. nationals and the national security of the United States.

14. (U) The four main legal consequences of an FTO designation are set out below: (1) it is unlawful for a person in the United States or subject to the jurisdiction of the United States to knowingly provide material support or resources to a designated FTO; (2) it is illegal for persons subject to U.S. jurisdiction to receive military-type training from or on behalf of an FTO; (3) representatives and members of a designated FTO, if they are aliens, are inadmissible to and, in certain circumstances, removable from the United States. Other aliens are inadmissible to or subject to removal from the U.S. based on a broad range of ties to an FTO, as set out in the Immigration and Nationality Act (e.g. provision of material support for or solicitation on behalf of an FTO); and (4) any U.S. financial institution that becomes aware that it has possession of or control over the funds in which a designated FTO or its agent has an interest must retain possession of or control over the funds and report the funds to the Office of Foreign Assets Control of the U.S. Department of the Treasury.

15. (U) In addition to the above mentioned legal consequences AAH and KH could face, there are other effects of FTO designation. First, designation would support U.S. efforts to curb terrorist financing in Iraq. Second, the designation would stigmatize and isolate AAH and KH internationally. Third, the designation would deter donations or contributions to and economic transactions with AAH and KH. Fourth, the designation would heighten public awareness and knowledge of AAH and KH. Fifth, the designation would signal to other governments our concern about these Iraq based groups.

## BACKGROUND

¶16. (S/NF) AAH, a Shia extremist group reportedly supported by Special Designated Global Terrorist (SDGT) Lebanese Hizballah and SDGT Islamic Revolutionary Guard Corps' Qods Force (IRGC-Qods Force), has committed and poses a risk of committing acts of violence that have the purpose and effect of threatening the peace and stability of Iraq or the Government of Iraq by conducting assassinations and operations against Iraqi civilians, Iraqi Security Forces and Coalition forces. In one instance, AAH claimed responsibility for an attack against the Polish Ambassador to Iraq and a separate attack against the Polish Embassy. AAH was originally established by Senior Sadrist and MNF-I detainee Qays Khazali, but is currently led by Specially Designated Global Terrorist Akram al-Kabi.

¶17. (S/NF) Iraq-based Kata'ib Hizballah, a Shia extremist group support by SDGTs IRGC-Qods Force and Lebanese Hizballah, has committed and threatens to commit terrorist activity against Coalition Forces, civilians in Iraq, UN personnel and the Government of Iraq. Specifically, between March 2007 and June 2008, Baghdad based KH cell members participated in improvised rocket propelled mortar (IRAM) and rocket propelled grenade (RPG) attacks against U.S. forces, according to a source claiming direct access to the information. KH also conducts attacks against civilians in Iraq. In one instance, KH was likely responsible for a late November 2008 rocket attack near the United Nations compound in Baghdad which killed two and injured 15 United Nations contractors, according to clandestine and media reporting. KH also threatened to conduct attacks against the Government of Iraq. Specifically, in November 2008, KH posted a threat to conduct attacks against the Government of Iraq (GOI) if the GOI accepted the Strategic Framework Agreement with the United States. KH is likely led by Abu Mustafa al-Sheibani, who was designated pursuant to Executive Order 13438 for leading a network of insurgents involved in attacks on Coalition forces and GOI officials since March 2007.

## ACTION REQUEST

¶18. (S/NF) S/CT requests Embassy Baghdad's position regarding the potential FTO designation for these groups and any additional supporting or contradicting reporting that post may be able to provide. Department requests a response by cable to S/CT Jason M. Blazakis by February 20, 2009.

## POINT OF CONTACT

¶19. (U) Please contact Jason M. Blazakis at (202) 647-5988 or via e-mail, if necessary, for further background information.

## CLINTON